

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 301505

66

ORIGIN EB-07

INFO OCT-01 ARA-06 ISO-00 DOTE-00 FAA-00 CAB-02 COME-00
L-03 /019 R

DRAFTED BY EB/OA/AVP:SCKEITER:DOT/OST:LNERICSON:JO

APPROVED BY EB/OA/AVP:AJWHITE

DOT/OST - PLARSEN

DOT/FAA/AIA - RTOENNIESSEN

EB/AN - AJRIMAS

ARA/ECP - DTAHER

CAB/BIA - CCOLDREN

CAB/BIA - ECORBOY (INFO)

----- 098511

R 110236Z DEC 76

FM SECSTATE WASHDC

TO AMEMBASSY BUENOS AIRES

LIMITED OFFICIAL USE STATE 301505

E.O. 11652: N/A

TAGS: EAIR, US, AR

SUBJECT: CIVAIR - USER CHARGES

1. ACCORDING TO INFORMATION RECEIVED FROM BRANIFF, USER CHARGES HAVE BEEN INCREASED AN AVERAGE 340 PERCENT EFFECTIVE SEPTEMBER 1. BRANIFF CLAIMS THESE CHARGES ARE EXCESSIVE AND BEAR NO RELATION TO COSTS OF PROVIDING SERVICES. IN ORDER EVALUATE THESE CLAIMS, U.S. DEPARTMENT OF TRANSPORTATION (DOT) NEEDS MORE INFORMATION ON AVIATION CHARGES AND ECONOMIC SITUATION IN ARGENTINA. (BRANIFF STATES ITS LOCAL REP IS PREPARED PROVIDE DETAILS RE CHARGES.)

2. MOST USEFUL WOULD BE COST INFORMATION THAT WOULD ENABLE DOT TO COMPARE COSTS AND CHARGES IN ORDER TO DETERMINE WHETHER THE LATTER ARE EXCESSIVE IN RELATION TO THE FORMER. WOULD APPRECIATE EMBASSY'S MAKING
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 301505

APPROPRIATE EFFORTS TO OBTAIN SUCH INFORMATION ASAP,

PRESUMABLY FROM RESPONSIBLE GOA AUTHORITIES. EMBASSY WILL PROBABLY WISH TO INFORM THEM INFORMALLY THAT U.S. LAW (INTERNATIONAL AIR TRANSPORTATION FAIR COMPETITIVE PRACTICES ACT OF 1974) (FCPA) REQUIRES DOT TO MONITOR AVIATION USER CHARGES WORLDWIDE. A FINDING THAT THE CHARGES ARE EXCESSIVE OR OTHERWISE DISCRIMINATORY COULD

LEAD TO COMPENSATORY CHARGES AGAINST ARGENTINE AIRCRAFT IN THE U.S.

3. ALSO HELPFUL WOULD BE ANSWERS TO FOLLOWING QUESTIONS:

(A) WHAT ARE THE CHARGES TO DOMESTIC AIRLINES FOR SIMILAR SERVICES, BOTH FOR DOMESTIC FLIGHTS AND FOR INTERNATIONAL FLIGHTS? (B) HAVE OTHER INTERNATIONAL AIRLINES COMPLAINED OF THESE INCREASES? (C) HAVE OTHER ARGENTINE PUBLIC SERVICE COSTS OR CHARGES INCREASED BY SIMILAR PERCENTAGES? (D) WHAT IS THE CURRENT INFLATION RATE IN ARGENTINA AND THE TOTAL INFLATION SINCE THE BEGINNING OF 1976? SINCE USER CHARGES LAST CHANGED?

4. AMONG BRANIFF'S COMPLAINTS IS BEING FORCED TO USE HIGH-COST MONOPOLY GROUND-HANDLING SERVICES. IN GENERAL USG POLICY IS TO INSIST THAT AIRLINES SHOULD AT MINIMUM HAVE OPTION TO SELF-HANDLE. IN ADDITION, THERE IS POSSIBILITY OF ACTION UNDER FCPA IF AEROLINEAS IS FAVORED OR GROUND HANDLING CHARGES ARE EXCESSIVE. WOULD APPRECIATE EMBASSY'S COMMENTS. IN PARTICULAR, WOULD A NOTE TO GOA ON THIS AS SEPARATE ISSUE BE USEFUL, EITHER TO STIMULATE ACTION OR TO AVOID COMPLAINT OF LACK OF FOREWARNING IF DOT MAKES FORMAL FINDING UNDER FCPA? (OF COURSE COMPENSATORY CHARGE COULD NOT COME IN ANY CASE UNTIL AFTER ATTEMPT TO NEGOTIATE SOLUTION HAD FAILED.)

5. PLEASE KEEP WASHINGTON INFORMED OF THE PROGRESS OF YOUR INQUIRY.

6. USG IS CONTEMPLATING A FACT-FINDING TRIP TO SEVERAL SOUTH AMERICAN COUNTRIES. THEY WOULD APPRECIATE EMBASSY'S ASSESSMENT OF THE POTENTIAL SUCCESS OF A STOP IN LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 301505

ARGENTINA AS WELL AS THE LEAD TIME NECESSARY FOR THE EMBASSY TO MAKE ARRANGEMENTS. ROBINSON

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CIVIL AVIATION, ECONOMIC CONDITIONS, AIR CARGO, FEES, ECONOMIC REPORTS, INFORMATION CONTROL
Control Number: n/a
Copy: SINGLE
Draft Date: 11 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE301505
Document Source: CORE
Document Unique ID: 00
Drafter: SCKEITER:DOT/OST:LNERICSON:JO
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760458-0544
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761250/aaaabrbw.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUL 2004 by ElyME>; APPROVED <22 OCT 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CIVAIR - USER CHARGES
TAGS: EAIR, US, AR
To: BUENOS AIRES
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006